

1-1 By: Harris S.B. No. 1767
1-2 (In the Senate - Filed March 11, 2005; March 30, 2005, read
1-3 first time and referred to Committee on Health and Human Services;
1-4 May 5, 2005, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; May 5, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to charity care and government-sponsored indigent health
1-9 care provided at certain for-profit hospitals.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter D, Chapter 311, Health and Safety
1-12 Code, is amended by adding Section 311.0435 to read as follows:

1-13 Sec. 311.0435. DUTY OF FOR-PROFIT HOSPITALS TO PROVIDE
1-14 COMMUNITY BENEFITS. (a) In order to maintain its license, a
1-15 hospital, other than a nonprofit hospital covered by Section
1-16 311.043 or a hospital owned or operated by a political subdivision,
1-17 that receives any tax abatement from any political subdivision
1-18 shall provide charity care and government-sponsored indigent
1-19 health care in an amount that satisfies the requirements of
1-20 Subsection (b). A determination of the amount of charity care and
1-21 government-sponsored indigent health care provided by a hospital
1-22 shall be based on the most recently completed and audited prior
1-23 fiscal year of the hospital.

1-24 (b) Charity care shall be provided in an amount equal to at
1-25 least five percent of the hospital's net patient revenue, provided
1-26 that government-sponsored indigent health care is provided in an
1-27 amount equal to at least four percent of net patient revenue.

1-28 (c) Reductions in the amount of charity care and
1-29 government-sponsored indigent health care provided by a hospital
1-30 shall be considered reasonable if the hospital, as a result of a
1-31 natural or other disaster, is required substantially to curtail its
1-32 operations.

1-33 (d) A hospital's admissions policy must provide for the
1-34 admission of financially indigent and medically indigent persons.

1-35 (e) For the purpose of this section, "political
1-36 subdivision" means a county, municipality, special district,
1-37 school district, or other governmental subdivision of the state.

1-38 SECTION 2. This Act takes effect immediately if it receives
1-39 a vote of two-thirds of all the members elected to each house, as
1-40 provided by Section 39, Article III, Texas Constitution. If this
1-41 Act does not receive the vote necessary for immediate effect, this
1-42 Act takes effect September 1, 2005.

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